ILLINOIS FARM REPORT

NATIONAL AGRICULTURAL STATISTICS SERVICE

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HIGHLIGHTS

MAY CROP REPORT
LIVESTOCK MARKETINGS
POULTRY PRODUCTION
AGRICULTURAL PRICES
ANNUAL MANUFACTURED DAIRY PRODUCTS

THIS FARM REPORT CONTAINS THE RESULTS FROM THESE SURVEYS. THANK YOU FOR YOUR HELP.

May Ag Yield Report
April Prices Received
Annual Manufactured Dairy Products

MAY CROP REPORT

The Illinois wheat crop is expected to yield 63 bushels per acre based on conditions as of May 1, six bushels above last year's yield which was reduced by the April 2007 freeze. If this yield is realized, total production would be 73.1 million bushels, 44 percent more than a year ago. Farmers seeded 1.2 million acres to wheat last fall, and expect to harvest 1.16 million acres for grain. This compares to 1.0 million acres seeded and 890 thousand acres harvested in 2007. Crop development is considerably behind last year and the five-year average. This spring, Illinois has experienced below normal temperatures with surplus precipitation. Southern Illinois has experienced larger rainfalls this spring causing streams and rivers to overflow their banks and flood low-lying farmland. In March, many areas in the southern part of the state received precipitation totals that were two to three times normal for the month. Temperatures averaged 2.9 degrees below normal. As of May 4, five percent of the crop was headed, compared to 33 percent last year and the five-year average of 30 percent. The condition of the wheat crop was rated 71 percent good to excellent.

Illinois hay stocks, as of May 1, 2008, were at a record low 210,000 tons, down 35 percent from a year ago. The main reason for the lower stocks is that hay production was a record low last year, due to the decreasing acreage of hay. Also, below normal temperatures for much of the spring have held pastures back in growth, causing hay to be fed longer this spring.

Corn planting was 28 percent complete by May 4, compared to 62 percent last year and 76 percent for the five-year average. Corn was one percent emerged compared to 22 percent last year. **Soybean** planting was less than one percent complete, compared to five percent last year and the five-year average of 11 percent. **Sorghum** planting was less than one percent complete by May 4, compared to 11 percent for both last year and the five-year average. **Oats** headed was less than one percent complete by May 4, compared to one percent last year and the five-year average of two percent. One percent of the first cutting of **alfalfa hay** was complete by May 4, compared to five percent for both last year and the five-year average. Alfalfa was rated 10 percent excellent, 62 percent good, 24 percent fair, and 4 percent poor on May 4. **Red clover** condition was rated at 9 percent excellent, 61 percent good, and 30 percent fair.

SUMMARY OF MAY 1 CROP REPORT

Crops	Illinois			United States		
	2006	2007	Indicated 2008	2006	2007	Indicated 2008
Winter Wheat:						
Acres planted (000)	930	1,000	1,200	40,575	44,987	46,840
Acres for harvest (000)	910	890	1,160	31,117	35,952	40,162
Yield per acre, bu.	67.0	57.0	63.0	41.7	42.2	44.3
Production, bu. (000)	60,970	50,730	73,080	1,298,081	1,515,989	1,777,532
Hay stocks on farms:						
Tons (000)	324	325	210	21,345	15,013	21,593

UNITED STATES

U.S. winter wheat production is forecast at 1.78 billion bushels, up 17 percent from 2007. Expected area for harvest as grain or seed totals 40.2 million acres, up 12 percent from last year. Based on May 1 conditions, the U.S. yield is forecast at 44.3 bushels per acre, up 2.1 bushels from the previous year. Hard Red Winter (HRW) harvested acreage is up about six percent from the previous year. Soft Red Winter (SRW) harvested acreage is estimated to be up 35 percent from last year. The portion of the winter wheat crop rated good to excellent on April 27, at 46 percent, was ten percentage points below a year ago.

HRW harvested acreage expectations in the central and southern Great Plains are above last year's freeze and flood reduced levels, mainly due to Kansas and Oklahoma acreage which is expected to be up nine percent and 29 percent, respectively. Texas harvested acreage is expected to be down 11 percent, due to lower planted acreage and dry conditions. As of April 27, heading was behind normal in Texas and Oklahoma, and significantly behind in Kansas. Growers in many states in the SRW area expect yields to be above last year. Harvested acreage across the SRW area is up from last year due to an increase in planted acres, and fewer acres being abandoned and cut for forage compared with last year when drought conditions and an April freeze reduced harvested area.

LIVESTOCK MARKETINGS

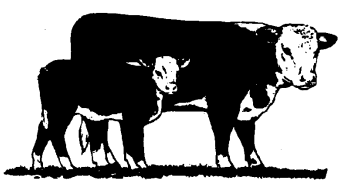
Total gross income for <u>Illinois</u> producers from cattle and calves, hogs and pigs, and sheep and lamb marketings increased ten percent from $1.43 billion in 2006 to $1.56 billion in 2007. Cattle and calves gross income increased 22 percent, hogs and pigs decreased slightly, and sheep and lambs increased seven percent. Gross income from hogs and pigs, at $810 million, accounted for 52 percent of the total gross income for meat animals. The Illinois hogs and pigs annual average price per 100 pounds live weight decreased from $46.70 in 2006 to $45.80 in 2007. Marketings of cattle and calves in 2007 were up 15 percent from 2006 and hog marketings were up slightly from 2006. Sheep and lamb marketings were down three percent.

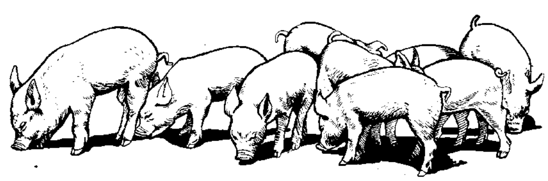
The total gross <u>U.S.</u> income for producers from cattle and calves, hogs and pigs, and sheep and lambs totaled $65.5 billion, up two percent from 2006. Cattle and calves accounted for 77 percent of this total. Cattle and calves gross income increased two percent, hogs and pigs increased five percent, and sheep and lambs increased slightly. The U.S. hogs and pigs annual average price per 100 pounds live weight increased from $46.00 in 2006 to $46.60 in 2007. Total marketings of meat animals increased two percent from 2006 to 85.6 billion pounds. Cattle and calves accounted for 64 percent of the total U.S. marketings; hogs and pigs, 35 percent; and sheep and lambs, one percent.

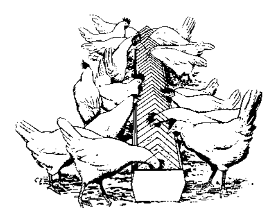
MEAT ANIMAL MARKETINGS: ILLINOIS & UNITED STATES, 2007

Item	Unit	Cattle and Calves		Hogs and Pigs		Sheep and Lambs	
		Illinois	U.S.	Illinois	U.S.	Illinois	U.S.
Marketings 1/	1,000 Pounds	787,075	54,762,586	1,482,806	30,262,685	4,580	575,238
Cash Receipts 2/	1,000 Dollars	730,989	49,721,883	809,249	14,785,505	3,845	492,432
Value of Home Consumption	1,000 Dollars	19,317	439,747	963	32,103	326	12,972
Gross Income	1,000 Dollars	750,306	50,161,630	810,212	14,817,608	4,171	505,404

1/ Excludes custom slaughter for use on farms where produced and interfarm sales within the state.
2/ Receipts from marketings and sale of farm slaughter.







POULTRY PRODUCTION

The combined value of production in <u>Illinois</u> from eggs, chickens and turkeys totaled $125.3 million in 2007. The value of egg production, at $87.0 million, increased 90 percent from the previous year. Chicken sales were up 35 percent to $70 thousand compared to $52 thousand in 2006. The value of turkey production was down 12 percent to $38.2 million compared to $43.4 million in 2006.

The <u>U.S.</u> combined value of production from eggs, turkeys, chickens and broilers in 2007 was $31.9 billion, up 24 percent from the $25.8 billion in 2006. The value of broilers produced during 2007 was $21.5 billion, up 21 percent from 2006 and accounted for 67 percent of the total. The value of eggs produced, at $6.68 billion, was up 51 percent from the previous year. The value of turkeys produced was $3.71 billion, up four percent from 2006. Chicken value (excluding broilers) in 2007 was $50.8 million, down six percent from 2006.

POULTRY PRODUCTION AND VALUE: ILLINOIS & UNITED STATES, 2007

Item	Unit	Eggs		Chickens		Turkeys		Broilers	
		Illinois	U.S.	Illinois	U.S.	Illinois	U.S.	Illinois	U.S.
Production	1,000 Pounds 1/	1,357	90,581	6,984	906,809	86,800	7,869,224	2/	49,208,400
Value of Production	1,000 Dollars	87,034	6,678,147	70	50,783	38,192	3,710,846	2/	21,460,211

1/ Reporting unit for eggs is millions.
2/ Estimate excludes states producing less than 500,000 birds.

AGRICULTURAL PRICES

The April index of prices received by Illinois farmers for all commodities was 183 percent of the base, up three points from the revised March figure and 52 points above April 2007. The current year's base was computed by multiplying the average production for the five-year period by the average price for each year. These five years were summed and then divided by five to arrive at an average (base) for the period. The current five-year average production was then multiplied by the current price and divided by the average for the five years to arrive at the current index. The April All Crops index, at 203 percent of the base, was up three points from the revised March number and 66 points above April 2007. Crop prices increased for all commodities except for wheat. The All Livestock index was at 107 percent of the base, down one point from the revised March number and four points below April 2007. Prices for all livestock commodities decreased, except for barrows and gilts. The hog-corn ratio was at 8.4.

The U.S. preliminary All Farm Products Index of Prices Received by Farmers in April, at 144 percent, based on 1990-92=100, decreased two points from March. The Crop Index was unchanged but the Livestock Index decreased four points. Producers received lower commodity prices for eggs, strawberries, cattle, and wheat. Higher prices were received for corn, lettuce, onions, and soybeans. In addition to prices, the overall index was also affected by the seasonal change based on a three-year average mix of commodities producers sell. Increased monthly marketings of cattle, strawberries, milk, and oranges offset decreased marketings of soybeans, corn, wheat, and cotton.

INDEX OF PRICES RECEIVED BY FARMERS

Commodity	Mar. 2007	Apr. 2007	Mar. 2008	Apr. 15, 2008
ILLINOIS	2001-2005=100		2002-2006=100	
All Farm Products	134	131	180 *	183
All Crops	140	137	200 *	203
Food grains	129	136	305 *	273
Feed grains/hay	156	153	206 *	214
Soybeans	118	115	186 *	184
All Livestock	110	111	108 *	107
Meat animals	109	109	101 *	103
Dairy products	119	121	141 *	131
UNITED STATES	1990-92=100			
All Farm Products	131	133	146 *	144
All Crops	142	142	167 *	167
Food grains	155	159	309 *	302
Feed grains/hay	151	151	201 *	219
Oilseeds	125	124	207 *	212
All Livestock	125	127	129 *	125
Meat animals	118	122	112 *	110
Dairy products	119	127	139 *	138
Prices Paid	159	160	178 *	181
Parity Ratio 1/	82	83	82 *	80

1/ Prices received index divided by prices paid index.
* Revised.

PRICES RECEIVED BY FARMERS 1/

Commodity	Unit	Illinois Mar. 2007	Illinois Apr. 2007	Illinois Mar. 2008	Illinois Apr. 15, 2008	United States Mar. 2007	United States Apr. 2007	United States Mar. 2008	United States Apr. 15, 2008
		Dollars							
Corn	Bushels	3.52	3.48	4.69 *	5.00	3.43	3.39	4.70 *	5.13
Soybeans	Bushels	7.11	7.00	11.60 *	11.70	6.95	6.88	11.50 *	11.80
Sorghum	Cwt.	7.16	3/	9.36 *	9.80	6.48	5.97	9.04 *	9.50
Wheat, all	Bushels	4.09	4.16	10.40 *	9.00	4.75	4.89	10.60 *	10.10
Oats	Bushels	3.03	3/	3/	3/	2.40	2.46	3.44 *	3.59
Hay, all baled	Tons	107.00	106.00	143.00	157.00	119.00	124.00	139.00 *	152.00
Alfalfa hay, bld	Tons	110.00	109.00	155.00	164.00	121.00	127.00	143.00 *	157.00
Other hay, bld	Tons	86.00	83.00	120.00	126.00	115.00	115.00	128.00 *	140.00
Hogs, all	Cwt.	44.70	45.40	41.70 *	42.20	44.90	47.30	40.20 *	40.60
Barrows, Gilts	Cwt.	45.90	47.00	43.50 *	44.50	45.50	48.10	41.00 *	41.70
Sows	Cwt.	31.50	27.00	20.50 *	16.00	33.00	27.90	22.30 *	17.10
Beef cattle	Cwt.	96.00	98.00	90.70 *	89.20	91.60	93.70	87.70 *	85.10
Cows	Cwt.	48.00	50.00	52.00	50.50	47.20	49.20	51.20 *	49.90
Steers, Heifers	Cwt.	97.00	99.00	91.50 *	90.00	97.70	99.80	92.70 *	91.10
Calves	Cwt.	112.00	119.00	108.00 *	106.00	122.00	125.00	119.00 *	115.00
Milk cows	Head	2/	1,700.00	2/	2,000.00	2/	1,730.00	2/	1,940.00
Milk, all	Cwt.	16.10	17.30	19.50 *	18.80	15.60	16.60	18.10 *	18.00
Milk, fluid	Cwt.	16.10	17.30	19.50	3/	15.60	16.60	18.00 *	18.00
Milk, mfg.	Cwt.	16.00	16.90	19.70	3/	15.10	15.90	18.30 *	17.60
Hog-corn ratio		12.7	13.0	8.9 *	8.4	13.1	14.0	8.6 *	7.9

1/ Prices received represents the average of all grades or classes at point of first sale and should not be confused with market quotations.
2/ Estimated in January, April, July and October.
3/ State prices not published.
* Revised.

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MANUFACTURED DAIRY PRODUCTS - ANNUAL SUMMARY

Total cheese production in the U.S. in 2007, excluding cottage cheese, was 9.70 billion pounds, up 1.8 percent from the 2006 production. Wisconsin was the leading state with 25.3 percent of the production.

American type cheese production was 3.88 billion pounds, 0.9 percent below 2006 and accounted for 40.0 percent of total cheese production in 2007. **Italian varieties**, with 4.13 billion pounds, were 4.1 percent above 2006 production. Mozzarella accounted for 79.9 percent of the Italian production followed by Provolone with 7.9 percent and Ricotta with 5.9 percent. **Swiss cheese production** was virtually unchanged from the 2006 production at 314 million pounds.

Butter production in the United States during 2007 totaled 1.53 billion pounds, 5.8 percent above 2006. California accounted for 32.5 percent of the production, followed by Wisconsin with 24.3 percent.

Regular hard ice cream production in the United States decreased 3.6 percent to 882 million gallons in 2007. Lowfat ice cream, at 383 million gallons, increased 1.6 percent.

MANUFACTURED DAIRY PRODUCTS

Product	Illinois			United States		
	2006	2007	2007/2006	2006	2007	2007/2006
	1,000 pounds		Percent	1,000 pounds		Percent
Butter	1/	1/	- -	1,448,428	1,532,890	106
Cheese:						
Swiss	1/	1/	- -	314,459	313,694	100
Muenster	1/	1/	- -	95,541	103,485	108
American, all	1/	1/	- -	3,912,669	3,877,827	99
Cheddar	1/	1/	- -	3,124,001	3,057,288	98
Italian, all	1/	1/	- -	3,972,934	4,134,230	104
Mozzarella	1/	1/	- -	3,144,445	3,303,305	105
Total Cheese	80,380	76,764	96	9,524,567	9,700,499	102
Cottage Cheese:						
Lowfat (< 4.0% milkfat)	37,576	1/	- -	409,212	420,844	103
Creamed (≥ 4.0% milkfat)	39,441	1/	- -	368,811	360,748	98
Curd	41,495	1/	- -	459,033	460,630	100
Sour Cream	51,916	44,180	85	1,121,256	1,111,926	99
Yogurt	1/	1/	- -	3,301,435	3,477,727	105
	1,000 gallons			1,000 gallons		
Frozen Products:						
Ice Cream, regular, hard	1/	1/	- -	914,739	881,751	96
Ice Cream, low fat	23,078	19,748	86	376,557	382,620	102
Milk Sherbet	1/	1/	- -	54,160	58,239	108
Yogurt	1/	1/	- -	65,999	60,712	92
Water Ices	1/	1/	- -	64,686	66,137	102

1/ Not published if individual plant operations could be disclosed.

Brad Schwab, Mark Schleusener, Michael S. Clark, Agricultural Statisticians
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